Clauses 2, 3 and schedule were added to the Bill.

Mr. SPEAKER.—The question is:

"That clause 1, the Title and the Preamble stand part of the Bill."

The motion was adopted.

Clause 1, the Title and the Preamble were added to the Bill.

Motion to pass

Sri B. D. JATTI.—Sir, I beg to move:

"That the Mysore Appropriation (No.5) Bill, 1962, be passed."

Mr. SPEAKER.—The question is:

"That the Mysore Appropriation (No.5) Bill, 1962, be passed."

The motion was adopted

MYSORE SALES-TAX (SECOND AMENDMENT) BILL, 1962.

As reported by the Select Committee.

Motion to consider

Sri B. D. JATTI (Minister for Finance).—Sir, I beg to move:

"That the Mysore Sales Tax (Second Amendment) Bill, 1962, as reported by the Select Committee, be taken into consideration."

Mr. SPEAKER.—Motion moved:

"That the Mysore Sales Tax (Second Amendment) Bill, 1962, as reported by the Select Committee, be taken into consideration."

Sri B. D. JATTI.—Sir, in order to give the correct picture, I will give the operative changes in the present Bill and also in the Select Committee report as compared to the original section of the Act which is in force. Then only. it may be possible for us all to know-

Clause 1 (1).—Short Title—No change is made.

Clause 1 (2).—'Commencement:—It shall be deemed to have come into force on the first day of April 1962."

Here, the final proposal of the Select Committee is:

"It shall come into force on such date as the State Government may by notification in the Official Gazette appoint."

In suggesting the above change, the Select Committee has observed:

"It would not be equitable to levy the tax with retrospective effect from the first day of April 1962, as the dealers would not have collected the tax at the higher rate from that date. They therefore consider that the Government may be empowered to specify the date from which the Act shall come into force by issue of a notification in the Gazette. This subclause has been accordingly modified."

Clause 2.—If it is necessary, I will read the original section 3 for the information of the House.

"Appointment of Commissioner, Deputy Commissioners of Commercial Taxes, Assistant Commissioners of Commercial Taxes, Commercial Tax Officers:—The State Government may appoint a Commissioner of Commercial Taxes and as many Deputy Commissioners of Commercial Taxes, Assistant Commissioners of Commercial Taxes, Commercial Tax Officers and Assistant Commercial Tax Officers as they think fit for the purpose of performing the functions respectively conferred on them by or under this Act. Such officers shall perform the said function within such local limits as the State Government may assign to them".

The clause proposed in the amending Bill is in Section 3 of the Mysore Sales Tax Act, 1957 (Mysore Act 25 of 1957) and that is:

"After the words 'by or under this Act', the words "or by or

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under any other law for the time being in force" shall be inserted."

In the Select Committee, no change in the provision is made in the Bill.

Clause 3.—This is for Section 4 of the Original Act.

"Appellate Tribunal.— (1) The State Government shall appoint an Appellate Tribunal consisting of a Chairman and two other members to exercise the functions conferred on the Appellate Tribunal by or under this Act."

The amendment proposed in the Bill is this :

"In sub-section (1) of section 4 of the principal Act, after the words "by or under this Act", the words "or by or under any other law for the time being in force" shall be inserted."

No change in the provision is made in the Bill by the Select Committee.

Clause 4 (1) : This is for Section 5 of the Original Act :

"Levy of tax on sale or purchase of goods :— (1) Every dealer shall pay for each year tax on his total turnover at the rate of two per cent of such turnover :

Provided that if and to the extent to which such turnover relates to gur, potatoes, pulses including tur dhals, flour and husks, sweet potatoes, turmeric and turmeric powder or to articles made of gold or silver, the tax shall be calculated at the rate of one percent of such turnover."

The amendment proposed in the Bill reads :

"In section 5 of the principal Act.— (1) in the proviso to sub-section (1), for the words "to articles made of gold or silver" the words "cereals, namely, wheat including atta, maida, soji and bran), paddy, rice (including parched rice, beaten rice, and bran), ragi, jola, maize, bajra, navane and samey or bread" shall be substituted."

The Select Committee has proposed as follows :

"In section 5 of the principal Act, in the proviso to sub-section (1) the words "or to articles made of gold or silver", shall be omitted."

The effect of the change suggested by the Select Committee is (1) the proposal in the Bill to tax articles of gold and silver at two percent multi-point stands, and (2) the proposal to levy tax on cereals at multipoint is dropped. In this connection, the Select Committee has observed :

"The Committee feels that although levy of tax on foodgrains is in force in the neighbouring states, the levy of multi-point tax on foodgrains in Mysore which is deficit in food is likely to lead to undue hardship to the consumer."

Clause 4 (2)

This reads as follows :

"Notwithstanding anything contained in sub-section (1) a tax under this Act shall be levied in respect of the sale or purchase of any of the declared goods mentioned in column (2) of the fourth schedule at the rate and only at the point specified in the corresponding entries of columns (4) and (3) of the said schedule on the dealer liable to tax under this Act on his turnover of sales or purchases in each year relating to such goods.

The Select Committee has proposed to retain this.

Provisos three and four have been proposed to be deleted.

Clause 5 (section 6).

The original provision in the Act reads as follows :

"Exemptions of tax in certain cases.—

(1) Subject to such restrictions and conditions as may be prescribed, including conditions as to licence and licence fees.—

(ii) the sale of raw silk shall be exempt from taxation under section 5 ;

(ii) the sale of wheat (including atta, maida, soji and bran) bread, paddy, rice (including parched rice and beaten rice), ragi, jola, maize, bajra,

navane and samey, shall be exempt from taxation under section 5.

(2) The licence fee may be computed on the total turnover of the dealer in respect of each place of his business and such fee shall be levied as if it were a tax or an addition thereto ;

Provided that the licence fee shall in no case exceed rupees two thousand per annum."

In the Bill it is proposed to omit section 6 of the principal Act. The omission of the Section was proposed consequent on the proposal to levy one per cent multipoint tax on cereals and one per cent single-point tax on raw silk.

In the Select Committee it has been agreed to retain section 6. Licence fees on foodgrains have been fixed at Rs. 5 for every Rs. 1,000 of the turnover subject to a maximum of Rs. 8,000 and on raw silk at Rs. 2 per Rs. 1,000 subject to a maximum of Rs. 2,500 Foodgrains licence fee Rs. 1. 50 and raw silk licence fee Rs. 1. 50

Clause 6 (section 17)

"In the Bill it is proposed as follows :

"In sub-section (1) of section 17 of the principal Act, the words 'or licence fee' in the two places where they occur shall be omitted ".

This provision was made in the Bill because of the proposal to take away the levy of licence fee on cereals and raw silk. In the Select Committee the amendment proposed in the Bill has been deleted because section 6 has been retained. There is no need to amend section 17. This clause has been, therefore, deleted.

Clause 7 (section 43).

The amendment proposed in the Bill reads as follows :

" After sub-section (2) of section 43 of the principal Act, the following sub-section shall be and shall always be deemed to have been inserted, namely; (3) Notwithstanding anything contained in this Act, where in respect of the sale or purchase of any goods, the rate of tax (hereinafter referred to as the original rate) is revised or no tax is payable from any date during any year, the turnover of a dealer or other person during the period up to that date in that year shall be liable to tax at the original rate, and his turnover during the period from that date till the end of that year shall be liable to tax at the revised rate, or shall not be liable to tax, as the case may be ".

The Select Committee has decided that the provision made in the Bill might be retained without any change.

Now I am coming to names of articles wherein there are slight changes.

Clause 8—(Second schedule)

The original section reds as follows :

"14. Bicycles, tandum cycles (cycles combination and parts and accessories and tyres and tubes thereof)"	Rate of Tax 4 per cent

In the Bill it is proposed to levy at six per cent instead of four per cent.

In the Select Committee it was decided to levy at the rate of five per cent since bicycles are used by middle and poor classes. This item has, therefore, been suitably amended.

"16. Foamed rubber sheets cushions, pillows, mattresses and other like articles."	Rate of Tax 6 per cent

The Bill provides for levy at ten per cent.

The Select Committee has felt that the provision made in the Bill might be retained without any change.

"23. Aeroplanes, rail coaches and their spare parts"	Rate of Tax 6 per cent

The Bill provides for levy at eight per cent.

The Select Committee has not made any alteration.

"24. All kinds of mill yarn (other than cotton yarn and sewing thread)"	Rate of Tax $\frac{3}{4}$ per cent

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The Bill provides as follows :

" for the entry relating to serial No. 24, the following entry shall be substituted, namely :—

24. All kinds of mill yarn other than cotton yarn and sewing thread and filature silk.....2 per cent ".

In the Select Committee it is considered that in the interest of the trade peculiar to Mysore in respect of this commodity, it would be sufficient if the rate is fixed at one per cent. This item has been accordingly modified.

"25. Thrown silk	Rate of Tax ¾ per cent"

In the Bill it is proposed :

" for the word's 'three fourths' per cent the words 'two per cent' shall be substituted ".

In the Select Committee the rate is reduced to 1½ per cent.

"35. Vanaspathi including Dalda Pakav or other hydrogenated oils by whatever name called and refined oil"	Rate of Tax 5 per cent.

Serial No. 35 deals with vanaspathi including Dalda, Pakav or other hydrogenated oils by whatever name called, and refined oil. The amendment proposed in the Bill was " for the words "five per cent" the words " six per cent" shall be substituted. The Select Committee has not made any change in the Bill.

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Serial No. 36 deals with cement. The existing rate of tax is 5 per cent. The amendment proposed in the Bill is : " for the words 'five per cent.' the words " six per cent " shall be substituted." The Select Committee has retained 6 per cent.

Serial No. 45 deals with timber. The existing rate is 3 per cent. In the Bill this item is sought to be deleted and the Select Committee has made no change in the Bill.

Serial No. 48 refers to chemical fertilizers, bone-meal and oil-cake. The existing rate of tax is 1 per cent. In the Bill the amendment sought to be made is "for the words 'one per cent' the words 'three per cent.' shall be substituted." The Select Committee has increased it to 1½ per cent. The reason given by the Select Committee is that " in view of the prevailing high price of chemical fertilisers and in order to encourage the ryots to use artificial manure in greater measure, it was felt that the rate of tax should not be very high. The rate proposed in the Bill was thought to be unduly high and may prove burdensome on the agriculturists. It was therefore considered that the rate should be fixed at 1½ per cent. The item has been amended accordingly."

Serial No. 61 refers to electrical goods, instruments, apparatus, etc. The rate of tax in the original Act is 4 per cent. In the amending Bill it was raised to 8 per cent, but the Select Committee reduced it to 6 per cent. The reason given by the Select Committee is : "Since power is likely to be used by a larger section of the people in the coming years, it will work as a hardship if the rate of tax on electric goods is fixed at a very high rate. The dealers in these goods have represented that their trade will be affected if the tax is pitched at a very high rate. In view of all the circumstances it was felt that it is sufficient if the rate is fixed at six per cent. "

Serial No. 65 referes to toilet articles. The rate of tax under the original Act is 5 per cent. In the amending Bill it was raised to 8 per cent and the Select Committee has made no change in it. Serial No. 66 refers to fire works. The rate of tax under the original Act is 6 per cent. In the amending Bill it was raised to 8 per cent and the Select Committee has made no change in it.

In the amending Bill new items 76 to 81 were added. New item 76 refers to aerated waters. The rate of tax proposed was 3 per cent and the Select Committee has retained it as it is.

New item 77 in the amending Bill refers to granite stones and slabs including Shahabad stones, etc. The rate of tax proposed was 3 per cent, but the Select Committee has deleted it.

New item 78 refers to mosaic tiles and chips. The rate of tax proposed in the amending Bill was 4 per cent. The Select Committee has not made any change in the rate, but only changed the Serial No. to 77.

New item 79 in the amending Bill refers to cement and asbestos sheets, hardboards, plywood and the like. The rate of tax proposed was 3 per cent. The Select Committee has not made any change in the rate, but the Serial No. has been changed to 78.

New item 80 in the amending Bill refers to heavy chemicals. The rate of tax proposed was 3 per cent. The Select Committee has not made any change in the rate, but the serial No. has been changed to 79.

New item 81 in the amending Bill refers to chicory. The rate of tax proposed was 5 per cent. The Select Committee has made no change in the rate of tax proposed. The serial No. has been changed to 80.

The Select Committee has made a new entry No. 81, namely, chillies and the rate of tax proposed is 2 per cent, at present chillies are taxed at two per cent, at the first purchase point. The Bill contemplated the levy of multi-point tax at two per cent. Since chillies are used by a large section of the people and are treated as part of foodstuffs it was, therefore, felt that the existing rate may continue. It was also felt that it was advantageous to levy the tax at the first sale point by bringing it on to the Second Schedule to the Act. Accordingly this item has been inserted as entry No. 81.

Then coming to clause 9, Third Schedule, dealing with goods in respect of which a single-point purchase tax only is leviable under section 5 (3) (*b*) of the Act, serial No. 4 refers to raw wool. The existing rate of tax is 1 per cent; in the amending Bill it is sought to be raised to 3 per cent. The provision in the Bill is retained without any change being made by the Committee.

Serial No. 5 deals with chillies. The rate of tax is 2 per cent under the amending Bill; this entry is deleted. The Select Committee has suggested that this entry be deleted and taken to the Second Schedule as serial No. 81.

After the entry relating to Serial No. 13, the following entries were sought to be added by the amending Bill, namely, "14. Raw silk, *i.e.*, filature silk, charka silk, reeled or twisted by hand," proposed to be taxed at 1 per cent. The Committee has suggested that item No. 14 be deleted the reason for the same being "consequent upon the retention of section 6, the new item 14 relating to raw silk proposed to be added to the Third Schedule has been deleted." A new entry No. 15 covering tamarind seeds was sought to be inserted by the amending Bill to be taxed at 3 per cent. The Select Committee has retained it, but the serial number has been changed to 14.

Then we come to clause 10, Fourth Schedule. Item No. 7 is cotton yarn but not including cotton yarn waste. The existing rate of tax is 3/4 per cent. In the amending Bill it was raised to 2 per cent but the Select Committee has changed it to 1 per cent.

Clause 11, Fifth Schedule, deals with goods exempted from tax under section 8 of the Act. Serial No. 5 in the Schedule is "vegetable (green or dried) other than potatoes and sweet-potatoes." Under the amending Bill this item was sought to be substituted by a new item, namely, "Vegetables other than (i) dried or dehydrated vegetables, and (ii) those specified in the proviso to sub-section (1) of section 5." In the Select Committee this entry was further changed to "Vegetables and vegetable seeds including onion seeds but excluding potatoes, sweet-potatoes, dried vegetables and dehydrated vegetables."

In clause 11, in the original Act Serial No. 29 is 'firewood or charcoal when sold for domestic use'. In the original Bill it was provided that the entry relating to S. No. 29 should be

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deleted. the Select Commitee's view is; "The proposed amendment is dropped for the following reasons :—

"Since electricity is normally not being used by a large section of the people for heating and cooking purposes, firewood and charcoal will continue to be used by the poor and middle classes. It was felt that whatever may be the reason for levying the tax, it will create unnecessary hardship if the limited exemption now afforded is removed. At the same time it was considered that exemption for factories and others who are consuming firewood and charcoal in larger quantities for industrial and other purposes should not be given. In what manner this particular sector could be taxed will have to be examined by the Govern ment. For the present it was felt that the existing exemption should be continued. This item has been accordingly deleted."

Similarly, the provision in the amending Bill is as follows :—

"Additional items included in the fifth schedule.

After the entry relatin to Sl. No. 35 the following shall be added, namely:—

"36. Goods sold to the World Health Organisation for their official use."

This entry is modified in the Select Committee as follows :—

"36. Goods sold to the World Health Organisation and to the United Nations; International Children Emergency Fund for their official use."

It was thought desirable to include the following items also in the fifth Schedule :—

"37. Plantain leaves.

38. Carpets woven on handlooms when sold at a price not exceeding rupees 15 per piece.

39. Educational films certified as such by the Commissioner."

I have tried to give Hon'ble Members this comparative statement in order to give them an idea regarding increase or decrease in the rate of tax and I hope it will be easy for them to offer their remarks.

Sri S. SIVAPPA.—After these changes made in the Select Committee, what would be the probable income ?

Sri B. D. JATTI.—As far as foodgrains are concerned, it was proposed that it should be 1 per cent multipoint. If that was approved, Government would have got about a crore of rupees. Since the Select Committee has not approved of that idea and it has suggested that instead of the licence fee of Rs. 1.50 it should be increased to Rs. 5, according to my calculation we may get roughly Rs. 32 to 33 lakhs.

ಶ್ರೀ ಪಿ. ಬಿ. ಬೊವ್ಮಣ್ಣ (ಅರಸೀಕೆರೆ).—ಸ್ವಾಮಿ ನಮ್ಮ ರಾಜ್ಯದ ಮಾರಾಟ ತೆರಿಗೆಯ ತಿದ್ದುಪಡಿ ಮಸೂದೆಯನ್ನು ನಮ್ಮ ಮುಂದೆ ಇಟ್ಟು ಅದನ್ನು 3-4 ದಿವಸ ಚರ್ಚೆ ಮಾಡಿ ಅದರಲ್ಲಿ ಬೇಕಾದಷ್ಟು ನ್ಯೂನತೆಗಳಿವೆ ಎಂದು ಅದನ್ನು ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಗೆ ಕಳುಹಿಸಿ ಕೊಟ್ಟಿದ್ದರು. ಆಹಾರ ಧಾನ್ಯಗಳ ಮೇಲೆ ತೆರಿಗೆಯನ್ನು ಹಾಕಿದ್ದಾರೆ. ಇದರಿಂದ ಬಡವರಿಗೆ ಬಹಳ ಅನ್ಯಾಯವಾಗುತ್ತದೆ ಮತ್ತು ತೊಂದರೆಯಾಗುತ್ತದೆ ಎಂದು ಈ ಹಿಂದೆ ಈ ಸಭೆಯಲ್ಲಿಯೇ ಅನೇಕ ಮಾನ್ಯ ಸದಸ್ಯರು ಬಹಳ ಗಲಾಟೆ ಮಾಡಿದ್ದರು. ಮೊದಲನೇ ಆಕ್ಟಿನಲ್ಲಿ ಆಹಾರ ಧಾನ್ಯಗಳಿಗೆ ಒಂದು ಸಾವಿರ ರೂಪಾಯಿ ಟರ್ನ್‌ಓವರ್ ಮಾಡುವವರಿಗೆ ಒಂದೂವರೆ ರೂಪಾಯಿ ಲೈಸನ್ಸ್ ಫೀ ಎಂದು ಮಾಡಿದ್ದರು. ಅದನ್ನು ಈಚೆಗೆ ತಿದ್ದುಪಡಿ ಮಾಡಿ ಅದನ್ನು ತೆಗೆದು ಒಂದು ಪರ್ಸೆಂಟ್ ತೆರಿಗೆ ಹಾಕಿದರು. ಮತ್ತೆ ಗಲಾಟೆ ಮಾಡಿದ ಮೇಲೆ ಆಹಾರ ಧಾನ್ಯಗಳ ಮೇಲಿನ ತೆರಿಗೆಯನ್ನು ತೆಗೆಯುತ್ತೇವೆಂದು ಹೇಳಿದ್ದರು. ಆದರೆ ಈಗ ಮತ್ತೆ ಆಹಾರ ಧಾನ್ಯಗಳ ಮೇಲೆ ತೆರಿಗೆಯನ್ನು ಹಾಕಿದ್ದಾರೆ. ಅದು ಹೇಗೆಂದರೆ ಮೊದಲು ಒಂದು ಪರ್ಸೆಂಟ್ ಟ್ಯಾಕ್ಸ್ ಹಾಕಿದ್ದರು. ಈಗ ಅದನ್ನು ತೆಗೆದು ಲೈಸೆನ್ಸ್ ಫೀ 5 ರೂಪಾಯಿ ಮಾಡಿದ್ದಾರೆ. ಒಂದು ಸಾವಿರ ರೂಪಾಯಿ ಟರ್ನೋವರಿಗೆ 5 ರೂಪಾಯನ್ನು ಲೈಸೆನ್ಸ್ ಫೀ ರೂಪದಲ್ಲಿ ಕೊಡಬೇಕೆಂದು ಮಾಡಿದ್ದಾರೆ. ಇದರಿಂದ 100 ಕ್ಕೆ 8 ಆಣೆ ಸೇಲ್ಸ್ ಟ್ಯಾಕ್ಸ್ ಬಿದ್ದ ಹಾಗೆ ಆಯಿತು. ಆದರೆ ಇದು ಸೇಲ್ಸ್ ಟ್ಯಾಕ್ಸ್ ಅಲ್ಲ ಎಂದು ಹೇಳುತ್ತಾರೆ. ಇದು ನಿಜವಾಗಿಯೂ ಕೂಡ ಒಂದು ಟ್ಯಾಕ್ಸ್ ಆಗಿದೆಯೇ ಹೊರತು ಇದು ಲೈಸೆನ್ಸ್ ಫೀ ಆಗುವುದಿಲ್ಲ. ಒಂದು ಪರ್ಸೆಂಟ್ ಸೇಲ್ಸ್ ಟ್ಯಾಕ್ಸ್ ಹಾಕಿದರೆ ಅದರಿಂದ ಒಂದು ಕೋಟಿ ರೂಪಾಯಿ ಬರುತ್ತದೆ ಎಂದು ಹೇಳಿದ್ದಾರೆ. ಈಗ 100 ಕ್ಕೆ 8 ಆಣೆ ಹಾಕಿದರೆ ಅದು ಮಲ್ಟಿಪಾಯಿಂಟ್ ಆಗುತ್ತದೆ. ಅದರಿಂದ 50 ಲಕ್ಷ ರೂಪಾಯಿ ಬರಬೇಕಾಗುತ್ತದೆ. ಜನಗಳು ಏನು ಹೇಳುತ್ತಾರೆಂದರೆ ಪಕ್ಕದ ರಾಜ್ಯದಲ್ಲಿ ಆಹಾರ ಧಾನ್ಯಗಳಿಗೆ ತೆರಿಗೆ ಇದೆ. ಆದರೆ ನಮ್ಮ ರಾಜ್ಯದಲ್ಲಿ ಆಹಾರ ಧಾನ್ಯಗಳ ಮೇಲೆ ತೆರಿಗೆಯನ್ನು ತೆಗೆದರು ಎಂದು ಹೇಳುತ್ತಾರೆ. ಆದರೆ

ವಾಸ್ತವವಾಗಿ ಇಲ್ಲಯೂ ಆಹಾರ ಧಾನ್ಯಗಳ ಮೇಲೆ ಟ್ಯಾಕ್ಸ್ ಇದೆ ಎಂದು ಒಪ್ಪಿಕೊಳ್ಳಬೇಕಾಗುತ್ತದೆ. ಈ ಸಿಂಗಲ್ ಪಾಯಿಂಟ್, ಮಲ್ಟಿಪಾಯಿಂಟ್ ಎಂದರೆ ಕಾಸಿನ ಬಡ್ಡಿ, ಆಣೆ ಬಡ್ಡಿ ಎನ್ನುವ ಹಾಗೆ, ಹಾಕಿದರು. ಒಂದು ರೂಪಾಯಿಗೆ ಒಂದು ಆಣೆ ಬಡ್ಡಿ ಎಂದು ಹೇಳಿದರೆ ಕಡಮೆ ದರದಲ್ಲಿ ಸಾಲ ಸಿಕ್ಕುತ್ತದೆ ಎಂದು ಬರುತ್ತಾರೆ. ಆದರೆ ಅದು ಬಹಳ ಜಾಸ್ತಿ ಆಗುತ್ತದೆ ಅದನ್ನು ತಿಳಿದುಕೊಂಡು ಮಲ್ಟಿಪಾಯಿಂಟ್ ಹಾಕಿ ಕಡಮೆ ಟ್ಯಾಕ್ಸ್ ಎಂದು ತಿಳಿದುಕೊಂಡು ಕಾಸಿನ ಬಡ್ಡಿ ನಿಮ್ಮ ಕೈಗೆ ಬರುತ್ತದೆಂದು ತಿಳಿದುಕೊಂಡಿದ್ದೀರಿ. ಆ ದುಡ್ಡು ಯಾರಿಂದ ಬರುತ್ತದೆ ಎಂದರೆ ನಮಗೆ ಸಂತೋಷ. ಈಗ ಸರ್ಕಾರದವರು ಅನೇಕ ಯೋಜನೆಗಳನ್ನು ಕಾರ್ಯಗತ ಮಾಡಬೇಕು. ಅದಕ್ಕೆ ದುಡ್ಡು ಬೇಕು. ಆದರೆ ಇದರಿಂದ ಬಹಳ ಅನ್ಯಾಯವಾಗುತ್ತದೆ. ಮಲ್ಟಿ ಪಾಯಿಂಟ್ ಟ್ಯಾಕ್ಸ್ ಹಾಕಿದರೆ ಅದರಿಂದ ಅಷ್ಟು ಪ್ರಯೋಜನವಾಗುವುದಿಲ್ಲ. ಅದರಿಂದ ಸರ್ಕಾರಕ್ಕೆ ಬರುವ ದುಡ್ಡೂ ಹೋಗುತ್ತದೆ. ಜನಗಳು ಅದನ್ನು ದುರುಪಯೋಗ ಮಾಡಿಕೊಳ್ಳುತ್ತಾರೆ. ಅಂತಹ ವರ್ತಕರು ಅನೇಕ ಜನ ಇದ್ದಾರೆ. ಏನು ಮಾಡಿದರೂ ಸಹ ಹೆಚ್ಚಿಗೆ ಟ್ಯಾಕ್ಸಿನಲ್ಲಿ ಲಾಭ ಸಂಪಾದನೆ ಮಾಡಿಕೊಳ್ಳುವವರು ಬಹಳ ಜನ ಇದ್ದಾರೆ. 100 ಕ್ಕೆ 90 ಜನ ಈ ತರಹ ಮಾಡುತ್ತಾರೆ. ಒಂದು ಉದಾಹರಣೆಯನ್ನು ಹೇಳುತ್ತೇನೆ. ಅದೇನೆಂದರೆ ಅರಸೀಕೆರೆಯಲ್ಲ ಭದ್ರಾವತಿಗೆ ಬಂದು ನಿಂತ ವ್ಯಾಗಿನ್‌ಗಳನ್ನು ಅರಸೀಕೆರೆಗೆ ಕೊಡಬೇಕಾದರೆ ಮೊದಲು ಪ್ರಾಣಿಗಳನ್ನು ಬೇರೆ ಕಡೆಗೆ ಬುಕ್‌ಮಾಡತಕ್ಕವರಿಗೆ ವ್ಯಾಗನ್ ಕೊಡಬಹುದು ಎಂದು ಆರ್ಡರ್ ಮಾಡಿದರು. ಆಗ ಕೋಳಿಗಳನ್ನು ತುಂಬಿ ಅದರ ಜೊತೆಯಲ್ಲಿಯೇ ಸಾಮಾನುಗಳನ್ನು ಬೇರೆ ಕಡೆಗೆ ಬುಕ್‌ಮಾಡುತ್ತಿದ್ದರು. ಆಮೇಲೆ ಹುಲ್ಲು ಬುಕ್‌ಮಾಡುವುದಕ್ಕೆ ವ್ಯಾಗನ್ ಕೊಡಬಹುದು ಎಂದು ಆರ್ಡರ್ ಮಾಡಿದರು. ಆಮೇಲೆ ಅದರ ಜೊತೆಯಲ್ಲೂ ವ್ಯಾಗನ್‌ಗಳ ತುಂಬಾ ಕೊಬ್ಬರಿಯನ್ನು ತುಂಬಿ ಬೇರೆ ಕಡೆಗೆ ಸಾಗಿಸುತ್ತಿದ್ದರು. ಹೀಗೆ ವ್ಯಾಪಾರಸ್ಥರು ಬಹಳ ಚಮತ್ಕಾರದಿಂದಿರುತ್ತಾರೆ. ಅವರಿಗೆ ಅವಕಾಶ ಮಾಡಿಕೊಟ್ಟರೆ ಅದಷ್ಟು ಟ್ಯಾಕ್ಸ್ ಕದ್ದು ಕೊಳ್ಳುವುದಕ್ಕೆ ಪ್ರಯತ್ನ ಮಾಡುತ್ತಾರೆ. ಆದ್ದರಿಂದ ನನ್ನ ಭಾವನೆ ಏನೆಂದರೆ ಯಾರು ಯಾರು ಕಳ್ಳತನದಿಂದ ಟ್ಯಾಕ್ಸ್ ಕೊಡುವುದನ್ನು ಹೇಗೆ ತಪ್ಪಿಸಿಕೊಳ್ಳುತ್ತಾರೆ, ಮತ್ತು ಹೇಗೆ ಸಂಪಾದನೆ ಮಾಡುತ್ತಾರೆ ಎನ್ನುವುದನ್ನು ತಿಳಿದು ಕೊಳ್ಳುವುದಕ್ಕೋಸ್ಕರ ಬುದ್ಧಿವಂತರಾದ ಕೆಲವು ವ್ಯಾಪಾರಸ್ಥರನ್ನು ಒಂದು ಕಡೆ ಕರೆಸಿಕೊಂಡು ಅವರಿಂದ ಸೇಲ್ಸ್ ಟ್ಯಾಕ್ಸ್‌ನಲ್ಲರತಕ್ಕ ಲೋಪದೋಷಗಳನ್ನೆಲ್ಲಾ ತಿಳಿದುಕೊಂಡು ಅನಂತರ ಆಫೀಸರುಗಳನ್ನೂ ವರ್ತಕರನ್ನೂ ಕೇಳಿ ನೋಡಿ ನಮಾಧಾನಕ್ಕೆ ಬಂದ ಮೇಲೆ ಮಲ್ಟಿ ಪಾಯಿಂಟ್ ಒಳ್ಳೆಯದೇ ಅಥವಾ ಸಿಂಗಲ್‌ಪಾಯಿಂಟ್ ಒಳ್ಳೆಯದೇ ಎನ್ನುವ ತೀರ್ಮಾನಕ್ಕೆ ಬನ್ನಿ.

ಈ ಮಲ್ಟಿ ಪಾಯಿಂಟ್ ಅನ್ನುವುದು ಹಾವನ್ನು ಹೊಡೆದು ಹದ್ದಿಗೆ ಹಾಕಿದ ಹಾಗಾಗಿದೆ. ಈಗಲೂ ಸಹಿತ ನಾನು ಸಲಹೆಮಾಡುವುದೇನೆಂದರೆ ಆಹಾರ ದವಸಕ್ಕೆ ಇದರ ಮೇಲೆ ತೆರಿಗೆ ಪಕ್ಕದ ಸ್ಟೇಟ್‌ನಲ್ಲಿ ಇದ್ದರೂ ನಾವು ತೆಗೆದಿದ್ದೇವೆ ಎಂದು ಹೇಳಿಕೊಂಡರೂ ಈ ಲೈಸೆನ್ಸ್ ಫೀ ಹಾಕಿರುವುದು ಸರಿಯಲ್ಲ; ಅದನ್ನು ತೆಗೆದುಹಾಕಿ ಎಂದು ಹೇಳುತ್ತೇನೆ.

ಶ್ರೀ ಬಿ. ಡಿ. ಜತ್ತಿ.—ನೀವು ಮಲ್ಟಿ ಪಾಯಿಂಟ್ ಇರಬೇಕೆಂದು ಸಲಹೆಮಾಡುತ್ತಿರೋ, ಸಿಂಗಲ್ ಪಾಯಿಂಟ್ ಇರಬೇಕೆಂದು ಸಲಹೆಮಾಡುತ್ತಿರೋ, ಯಾವುದು ಸಲಹೆ ಮಾಡುತ್ತಿರೋ ಮಾಡಿ.

ಶ್ರೀ ಸಿ. ಬಿ. ಬೊಮ್ಮಣ್ಣ.—ಆಹಾರ ದವಸಕ್ಕೆ ಮಲ್ಟಿ ಪಾಯಿಂಟ್ ಹೋಗಬೇಕು. ಸಿಂಗಲ್ ಪಾಯಿಂಟ್ ಹೋಗಬೇಕು. ಅಂತೂ ತಾವು ಇದನ್ನು ಮತ್ತೊಂದು ಸಾರಿ ಪುನರ್ವಿಮರ್ಶೆಮಾಡಿ ಮತ್ತೆ ಈ ಮನೂದೆಯನ್ನು ನಿಧಾನವಾಗಿ ತರುತ್ತೀರಿ ಎಂದು ನಂಬಿದ್ದೇನೆ.

ಶ್ರೀ ಎಚ್. ಆರ್. ಕೇತವಮೂರ್ತಿ.—ನಾನಾಗಲೇ ಅರಿಕೆ ಮಾಡಿಕೊಂಡಿದ್ದೇನೆ. Agricultural production is decreasing. ರೈತನು ಉಪಯೋಗಿಸತಕ್ಕ ಗೊಬ್ಬರದ ಮೇಲೆ ತೆರಿಗೆ ಹಾಕಿರುವುದು ತುಂಬಾ ಅನ್ಯಾಯ ಅದನ್ನು ದಯವಿಟ್ಟು ತೆಗೆಯಿರಿ.

Sri B. D. JATTI.—We have reduced that rate.

Sri M. R. PATIL.—May I know as to whether a dealer would be entitled to pass on this commission-licence fee at 5 per cent to the purchaser of the goods ?

Sri B. D. JATTI.—I have said it. I am not saying that it will be passed on.

ಶ್ರೀ ಗಂಗಾಧರ ನಾಮೋಷಿ.—ಮಿಡಿಯೆಟರ್ಸ್ ಕಮೀಷನ್ ಏಜೆಂಟ್ಸ್ ಇದ್ದಾರೆ. ಅವರಿಗೆ ಯಾವ ತರಹದಲ್ಲಿ ಇದು apply ಆಗುತ್ತದೆ ? ಅವರು ಶೇಕಡ 5 ಕೊಡಬೇಕೆಂದರೆ, ಅವರು ನಾಳೆ ಕೋರ್ಟಿಗೆ ಹೋದರೆ ಇದು stand ಆಗುತ್ತದೆ ಎಂಬುದನ್ನು ವಿವರಿಸಿದರೆ ಒಳ್ಳೆಯದು.

ಶ್ರೀ ಬಿ. ಡಿ. ಜತ್ತಿ.—ನಾಮೋಷಿಯವರು ಸೆಕ್ಷನ್ ಒಂದಿ ಕಮೀಷನ್ ಏಜೆಂಟ್ಸಿಯಿಂದ ಯಾವ ರೀತಿ ಕರೆಕ್ಟ್ ಮಾಡುತ್ತೀವೆ ಎಂಬುದನ್ನು ಹೇಳಿದರೆ ಸರಿಹೋಗುತ್ತದೆ. ಮೊಗಮಾಗಿ ಹೇಳಿದರೆ ಸರಿಹೋಗುವುದಿಲ್ಲ.

ಶ್ರೀ ಗಂಗಾಧರ ನಾಮೋಷಿ.—ಸೇಲ್ ಮಾಡುವವರಿಗೆ ಪರ್ಚೇಸ್ ಮಾಡುವವರು ಕೊಡಬೇಕು. ಈಗ ಕಮೀಷನ್ ಏಜೆಂಟ್ಸ್ ಇದ್ದಾರೆ. ಅವರ ಮೇಲೆ ಲೈಸೆನ್ಸ್ ಫೀಜು ಶೇಕಡ 5 ಹಚ್ಚಿದ್ದೀರಿ. ಅವರಿಗೆ ಹೇಗೆ apply ಆಗುತ್ತದೆ ?

Sri B. D. JATTI.—Anybody who is dealing in foodgrains has to take a licence and for taking a licence he will have to pay a fee of Rs. 5. That is what the clause says.

Sri G. V. GOWDA.—Is it tenable that even the Commission Agents are being taxed ?

†Sri K. LAKKAPPA.—Mr. Speaker, Sir, the Select Committee have made some suggestions regarding the Sales tax (Amendment) Bill and the Finance Minister has cleverly accepted several suggestions and has cut down the taxes. I am opposing the entire amendments of the Select Committee, because the

(SRI K. LAKKAPPA)

policy of the Government seems tc be to tax the public unnecessarily. They have come with a slogan that "we want money for the implementation of the Five Year Plan". Sir, I put it to you. The policy of the Government is to implement the Plan successfully. First of all, they have not come with clean hands. The various suggestions made in the A.G.R. Committee have been neglected by the Government. If they want to levy tax, they must implement the valuable suggestions and recommendations made by the A.G.R. Committee.

Mr. SPEAKER.—Has the Hon'ble Member got a right to oppose the principle of the Bill even when the Select Committee has made some suggestions? Please see Rule 77:

> "The debate on a motion that the Bill as reported by the Select or Joint Select Committee be taken into consideration, shall be confined to consideration of the report of the Select or Joint Select Committee and the matters referred to in that report or any alternative suggestions consistent with the principle of the Bill."

†Sri K. LAKKAPPA.—My point is that they must withdraw this Bill. When the proper time comes, they can introduce it, because they have not come with clean hands and not implemented the suggestions of the A.G.R. Committee. It has been referred to the Select Committee and they have made some suggestions. That does not mean that people have to be taxed more. On principle, the Government is not alert on taxing the rich people.

The second point is that further taxation will affect trade. Taxation, whether multi-point or single-point will affect trade. Further it will give rise to inflation which in turn will hit the common man. So, I suggest that before implementing the amendments made by the Select Committee it will be better to implement the recommendations made by the A.G.R. Committee. They must exhaust all the remedies available to them and tap all the sources open to them. They should first of all collect the arrears from tax evaders and then come with this taxation measure. They have not taken care to take note of the suggestions made by the Opposition and to change their policies in the light of those suggestions. This is not fair on the part of Government.

The other point is, as my friend Sri Bommanna put it, in the Select Committee report, there are several lacunaes. Instead of forcing on the public these taxes, it is better for the Government to withdraw the Bill and the time may come when they may bring such a Bill for the approval of this House.

5-30 P.M.

†Sri G. V. GOWDA.—No doubt, the majority of the observations made by this House have been taken into consideration by the Select Committee and to that extent they effected so many modifications and they deserve credit to that extent. But in one or two details, the dispassionate consideration that was expected of them has not been done. That is my regret.

Sir, it is suggested that the licence fee on dealers in foodgrains has been enhanced from two to five rupees. A relevant question seems to have been raised by Sri Namoshi. Later on, I bestowed thought over the querry raised by him. If a person offers to be the dealer, then there is some justification in imposing the licence fee. But there may be people who may not deal with foodgrains, but they may negotiate for purchase or sale. They do not become dealers as per some section of the Act. Uuless the assessing authorities are satisfied that he is the dealer and that he has registered himself as dealer, there is no question of imposing the licence fee on him. Supposing a middleman negotiates sale or purchase, is it open to the assessing authority to say that he has to pay the licence fee? That is one point. The other point is—are we within our bounds to impose this licence fee when we adopt a sales-tax law? A law of taxing either sales or purchase! This is a point for consideration.

Then, Sir, so far as the dealers in raw silk are concerned, the licence fee has been increased from one to two per cent. I want a definite answer from the Government whether a primary producer of raw silk could be considered as a dealer. So far as foodgrains are concerned, the grower is not considered as a dealer and he is not asked to pay the licence fee, because, he grows ragi, paddy, etc. Though he sells in the market, he won't become a dealer, and he is not liable to pay the licence fee. That is understood and that is in vogue. So far as raw silk is concerned, the question is whether the primary producer can be considered as a dealer. He cannot be considered as a dealer inasmuch as he is the producer of raw silk. Then the question would come that he is not liable to pay the licence fee. The Hon'ble Minister should make a note of it and reply whether he can be classified as a dealer inasmuch as he happens to be the producer of raw silk. To pay the licence fee, and register himself as a dealer, he must be indulging in the purchase and sale of silk. Unless he does that, he cannot be a dealer. In my opinion, as he manufactures and sells it away, the primary producer of raw silk cannot be treated as dealer. If that were to be agreed to, there is no question of this liability to pay licence fee. In the case of foodgrains, those who grow foodgrains and sell are not considered as dealers and they do not pay licence fee. Here I am told, and it is in vogue in the State of Mysore, that raw silk producers have to pay a licence fee of one rupee for every thousand rupees of turnover. I do not want the intentions of the Legislature to be mis-interpreted. Therefore, it is desirable to settle this matter once for all. Raising the licence fee from one to two per cent on the second and third purchaser and seller, the merchant, is welcome. Those that deal in silk have got to pay. There is no question of saying anything so far as they are concerned.

As I have stated earlier, it has to be considered whether a licence fee can be imposed when we adopt a law to tax a sale or purchase. The legal aspect of this matter has to be considered by Government. Can we bring within the provisions of this Act imposition of licence fee which is not concerned either with sale or purchase directly? Supposing a man registers himself as dealer, he has to pay the licence fee.

I have to congratulate the Select Committee on having removed the proposed tax on foodgrains and also the multi-point tax on chillies. According to the original Act, the tax on chillies was two per cent and even according to the amended Bill it is two percent. It is provided under the second schedule. It is proposed to levy this tax at the first sale point. But this committee ought to have considered dispassionately whether it is not desirable to have levied the tax on chillies on the last sale point. What happens is, whenever a chilly grower sells his produce, it will be purchased subject to payment of the two per cent tax. When the grower sells chillies worth one hundred rupees, he receives only ninety-eight rupees, because the merchant will deduct the two rupees per hundred at the first point, on the gro nd that two per cent has to be paid This is a single point tax. But when the merchant sells he collects two r pees from the purchaser. He credits only two rupees to the Government a d pockets the remaining two rupees. To avoid this complication, it would have been desirable to have levied this tax at the last point. Naturally all the taxes are being paid by the consumers. In order to avoid this difficulty, if it had been levied at the last point, it would have fallen on the consumer It would have been collected by the last dealer who sells it to the consumer. I, therefore, submit that it would have been desirable to put the tax on chillies at the last point of sale instead of at the first point of sale.

The committee has come to a decision which has been voiced by the members of this House so far as reducing the proposed tax on cotton yarn. The same ground would hold good in respect of silk yarn also. I fail to understand why the same analogy was not applied in respect of silk yarn.

(SRI G. V. GOWDA)

If the thrown silk is taxed at 2 per cent, the prices would go up and the silk loom weavers will be adversely affected. If the handloom weavers are to be affected if two per cent tax is levied, the silkloom weavers also would be affected if that rate of tax is levied. Most of the thrown silk manufactured in the State is exported outside the State. Nearly 80 per cent goes outside and 15 to 20 per cent of the thrown silk is retained in the State. When a factory owner manufactures thrown silk and sells outside, he is entitled to claim one per cent under the Central Sales Tax Act, and the 15 or 20 per cent of the silk remaining in the State would be subjected to 2 per cent tax. While a weaver in Madras or Kerala pays 1 per cent, the weaver in Mysore will have to pay 2 per cent tax. That means, the cost of production in Mysore will be more.

Sri B. D. JATTI.—What the Hon'ble member says is correct. There will be a difference of one per cent. So, if we take into consideration, the transport charges and other things, half per cent will be all right. There is am amendment.

Sri G. V. GOWDA.—Even 1½ per cent will not be all right.

Sri B. D. JATTI.—If the Hon'ble member is prepared to consider the Sales Tax Act of Andhra State, Andhra is producing rice and they have taxed it at the rate of 4 per cent because it is a producing State. In case of silk Mysore is the producing State and this way we are not losing.

Sri G. V. GOWDA.—Mysore no doubt produces silk but it does not consume it. Nearly 80 per cent is being sent outside. We are making a law in order to benefit the weaver outside the State. The cost of production here will be more. We are paying more to buy silk cloth whereas it will be one per cent less outside. So, why should you burden the poor weaver in the State? If the rate is not reduced, there may be no opportunity to consume thrown silk in Mysore and this industry is likely to be adversely affected. On the other hand it is the intention of the Government to give all assistance and facilities to this Industry. So, giving itwith in one hand and taking it way with the other, is not correct. In order to facilitate the industry to progress, I am suggesting that we should levy one per cent tax in respect of thrown silk also. By doing this, there will be no discrimination. When the Central Tax is 1 per cent, there is no justification to enhance the State tax to 2 per cent. I have, therefore, sent in my amendment.

I welcome the other points but so far as this point is concerned, let the Hon'ble Minister consider the question deeply and see that there is no scope for affecting the silk industry in any way. I want the Hon'ble Minister to assure me that the primary producers of raw silk would not be treated as dealers.

†**Sri V. S. PATIL** (Belgaum I).—There is not much to be said about this report, because they have practically given due consideration to the remarks passed in this House when the Bill was under consideration. But, I should like to bring to the notice of this House para 3 of the Report. The Chairman of the Committee has stated that they heard representations from eight bodies. There is nothing to show that Agriculturists' Association or anybody on their behalf have put up their case. In the last Bill which we have passed, a suggestion was made that a fixed date should not be given, for the coming into being of the Act. Here, in the original Bill the date of 1st April was there. The Committee has suggested a change. This shows that there is discretion given to the Government to fix a date. How the Government is dealing with trading community and agricultural community can be seen from the recommendations of this Bill.

Government have been given the power to appoint the date. Under the Agricultural Income Tax (Amendment) Bill Government have already fixed the date and they do not want to change it now because there is nobody to put up the case of the dumb millions before the Government and so they are being taxed without any representation at all.

Then, Sir, I agree with my friend Sri Gowda regarding the interpretation of the word "dealer". Whether a food-grain producer can be turned into a dealer or not, will have to be clarified by Government.

Then, in para 10 of the Report the Committee have suggested an increase of 1 per cent in the tax on bicycles. The Report says "since bicycles are used by middle and poor classes, the Committee feel that it is sufficient if the existing rate is enhanced by one per cent." I would say that the Committee should have said that since that particular thing is used by middle and poor classes it ought to be exempted but since the Committee have retained the tax it clearly shows that the Committee are not in favour of the poor or middle class, but they are only favouring the merchant class and the richer class.

Then, fertilizer is most essential to the public, but it is made scarce by the Government officers and the merchant class put together and the agriculturists have been squeezed. To increase the tax on this commodity is really putting obstacles in the way of the grow more food production programme. Even though some factories have been started by the Government of India to increase the production of chemical fertilizers, our country is still not coming up to the mark and we have to import this commodity from abroad. If we compare the price of imported goods from Japan, our price is almost double, but even though the price of imported goods is too high, yet it is very difficult for the agriculturist to get this commodity. In spite of this, the Committee have proposed an increase in the rate of tax on this commodity. I hope Government will consider this sympathetically and reduce this rate of tax because it will hit the agriculturists who are mainly producing wealth for our country. Instead of helping them, this will come in the way of increasing the production.

Then at the end of para 13, the Committee have suggested "in what manner this particular sector could be taxed will have to be examined by the Government." This is really strange. We are trying to increase our electric power since 4 to 5 years.

Mr. SPEAKER.—These suggestions do not become part of the Bill.

Sri V. S. PATIL.—Why should they make a suggestion ?

Sri B. D. JATTI.—It was the feeling of the Committee. They knew their limits. They could not do anything else but to report so, so that in future Government may consider bringing forward suitable amendments for the same.

Mr. SPEAKER.—I would not allow any suggestion to be passed by the House by vote.

Sri V. S. PATIL.—When we entrust the Bill to a Select Committee, we do so to make certain changes in the Bill, but we do not give them authority to make suggestions for future taxation. I find that this Committee has recommended tax on 15 articles to be imposed in future. In this the Committee have exceeded their limits.

With these words, I would again plead that the tax on chemical fertilizers should be deleted, that is very essential.

Motion for Extension of Time for Presentation of Report of Select Committee on the Mysore Building Tax Bill, 1962.

Sri B. D. JATTI (Minister for Finance).—Sir, I may be permitted to make a motion.

Mr. SPEAKER.—Yes.

Sri B. D. JATTI.—I beg to move :

"That under sub-rule (1) of Rule 238, the time fixed for presentation of the Report of the Select Committee on the Mysore Building Tax Bill, 1962 be extended to 27th September 1962."

Mr. SPEAKER.—The question is :

"That under sub-rule(1) of Rule